

RELIANCE

MUTUAL
FUND

Markets for You

26 Feb 2018

Indices Performance

Global Indices	23-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,310	24,962	348	1.39
Nasdaq	7,337	7,210	127	1.77
FTSE	7,244	7,252	-8	-0.11
Nikkei	21,893	21,736	156	0.72
Hang Seng	31,267	30,966	301	0.97
Indian Indices	23-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,142	33,820	323	0.95
Nifty 50	10,491	10,383	108	1.04
Nifty 100	10,858	10,737	121	1.12
Nifty Bank	25,303	24,955	347	1.39
SGX Nifty	10,517	10,369	148	1.43
S&P BSE Power	2,214	2,182	31	1.44
S&P BSE Small Cap	17,996	17,724	272	1.54
S&P BSE HC	14,225	13,959	267	1.91

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
23-Feb	23.66	1.16	25.75	1.13
Month Ago	26.24	1.06	27.81	1.02
Year Ago	22.02	1.42	23.36	1.24

Nifty 50 Top 3 Gainers

Company	23-Feb	Prev_Day	% Change [#]
Tata Steel	678	638	6.31
Sun Pharma	570	541	5.21
United Phos	701	675	3.72

Nifty 50 Top 3 Losers

Company	23-Feb	Prev_Day	% Change [#]
GAIL	458	466	-1.66
Asian Paints	1102	1118	-1.46
Eicher Motors	26724	26869	-0.54

Advance Decline Ratio

	BSE	NSE
Advances	1894	1361
Declines	847	435
Unchanged	143	51

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2263	3882
MF Flows**	1080	17158

*23rd Feb 2018; **20th Feb 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.84% (Jan-18)	3.68% (Oct-17)	4.26% (Jan-17)
IIP	7.10% (Dec-17)	4.10% (Sep-17)	1.90% (Dec-16)
GDP	6.30% (Sep-17)	5.70% (Jun-17)	7.50% (Sep-16)

Since May-17, MOSPI has revised base year of IIP & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

Global Indices

- Asian markets largely remained in positive terrain as U.S. government debt yields fell from multiyear highs, thereby easing worries over inflation and higher interest rates. Today (As of Feb 26), Asian markets opened higher amid strong lead from Wall Street's last session. Gains in technology, financial and auto stocks further boosted the indices. Nikkei and Hang seng grew 0.76% and 0.11%, respectively (as at 8.a.m. IST).
- As per the last close, European market ended on a mixed note amid mixed bag of corporate earnings results. Meanwhile, investors remained cautious ahead of a series of speeches from the officials of the U.S. Federal Reserve.
- As per the last close, U.S markets ended almost higher amid continued fall in treasury yields. However, gains were capped as some investors preferred to remain on the sidelines amid lack of major U.S. economic data.

Indian Equity Market

- Indian equity markets closed in the green amid gains in banking sector as share of major private sector commercial bank increased on proposal to buy 26% stake in a full-service investment bank. Also, gains in metal and pharma sector added to the gains. Meanwhile, decline in U.S. government debt yields from multiyear highs, helped ease investor worries over inflation and interest rates, thereby boosting the indices.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.95% and 1.04% to close at 34,142.15 and 10,491.05, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 1.47% and 1.54%, respectively.
- The overall market breadth on BSE was strong with 1,894 scrips advancing and 847 scrips declining. A total of 143 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the top gainer, up 3.16%, followed by S&P BSE Basic Materials and S&P BSE Healthcare which rose 2.43% and 1.91%, respectively. S&P BSE Telecom and S&P BSE Power rose 1.9% and 1.44%, respectively.

Domestic News

- Securities and Exchange Board of India has allowed firms to meet norms via open market sale and qualified institutional placements (QIPs). This comes in a bid to further facilitate listed companies to comply with the minimum public shareholding (MPS) requirements. SEBI stated that the promoters or promoter group can sell up to 2% of the total paid-up equity share capital of the listed company in the open market. However, the market regulator stated that such a sale will be subjected to up to five times the average monthly trading volume of the stock.
- The government has notified revised tax treaty between India and Kenya. The revised tax treaty provides for lower withholding tax rate and mutual assistance in collection of tax revenue claims. The revised Double Taxation Avoidance Agreement (DTAA) was notified on Feb 19, 2018. The revised DTAA provides for reduction in withholding tax rate on dividend and interest to 10% from 15% and the withholding tax rate on royalties, and fees for management, professional, technical services has been lowered to 10% from 20% and 17.5%, respectively. This comes to promote cross border flow of investments and technology.
- JSW Steel is set to buy debt-ridden Monnet Ispat for Rs. 3,750 crore. Monnet Ispat belongs to the first released list of 12 defaulters by the Reserve Bank of India for insolvency proceedings. The company faces claims of Rs. 10,359 crore from financial creditors and Rs. 116 crore from operational creditors.
- Federal Bank entered investment banking segment by acquiring a minority stake of 26% in Equirus Capital. This acquisition will help the bank to participate in opportunities and instruments beyond traditional products.
- HCL Technologies announced to invest around Rs. 160 crore in the field of education, health and power as part of its corporate social responsibility activity.

FII Derivative Trade Statistics			
	23-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5586.97	7333.08	11480.36
Index Options	103367.47	101282.77	45999.30
Stock Futures	30190.74	28503.59	69090.80
Stock Options	3310.97	3030.86	127.13
Total	142456.15	140150.30	126697.59

Derivative Statistics- Nifty Options			
	23-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.43	1.12	0.32
Put Call Ratio(Vol)	0.97	1.05	-0.09

Debt Watch				
	23-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.90%	5.96%	5.89%	5.92%
CBLO	5.89%	4.96%	6.00%	5.79%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.19%	6.32%	6.32%	6.08%
364 Day T-Bill	6.61%	6.56%	6.46%	6.21%
10 Year Gilt	7.67%	7.58%	7.25%	6.91%
G-Sec Vol. (Rs.Cr)	24927	23303	51143	35942
1 Month CP Rate	6.91%	6.87%	6.89%	6.55%
3 Month CP Rate	7.89%	7.89%	7.58%	6.86%
5 Year Corp Bond	7.98%	7.88%	7.78%	7.44%
1 Month CD Rate	6.25%	6.23%	6.25%	6.13%
3 Month CD Rate	7.24%	7.22%	7.16%	6.35%
1 Year CD Rate	7.52%	7.48%	7.44%	6.60%

Currency Market			
Currency	23-Feb	Prev_Day	Change
USD/INR	64.82	65.05	-0.22
GBP/INR	90.40	90.41	-0.01
EURO/INR	79.76	79.83	-0.07
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	23-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.49	61.87	64.40	54.43
Brent Crude(\$/bl)	66.98	63.54	70.05	55.51
Gold(\$/oz)	1329	1348	1341	1249
Gold(Rs./10 gm)	30390	30693	30058	29300

Source: ICRON Research

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Derivatives Market

- Nifty Mar 2018 Futures were at 10,504.55 points, a premium of 13.50 points, over the spot closing of 10,491.05. The turnover on NSE's Futures and Options segment went down from Rs. 51,651.57 crore on Feb 22 to Rs. 4,10,334.60 crore on Feb 23.
- The Put-Call ratio stood at 0.83 against previous close of 0.58.
- The Nifty Put-Call ratio stood at 1.43 against previous session's close of 1.12.
- India VIX moved down 4.25% to 14.2025 from 14.8325 in the previous trading session.
- Open interest on Nifty Futures stood at 20.73 million as against the previous session's close of 30.80 million.

Indian Debt Market

- Bond yields fell today as investors resorted to value buying after five consecutive sessions of decline.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 8 bps to close at 7.67% as against previous session's close of 7.75%. During the session, bond yields traded in the range of 7.67% and 7.76%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,605 crore (gross) on Feb 23 compared with Rs. 4,760 crore on Feb 22. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,865 crore on Feb 22.
- Banks borrowed Rs. 175 crore under the central bank's Marginal Standing Facility on Feb 22 as against no borrowing on Feb 21.
- RBI conducted a 14-day variable rate repo auction for a notified amount of Rs. 22,000 crore for which Rs. 5,500 crore was allotted at a cut-off rate of 6.01%.

Currency Market Update

- The Indian rupee rose against the greenback following gains in the domestic equity market. Selling of the greenback by state run banks further boosted the domestic currency. The rupee rose 0.48% to close at 64.73 per dollar from the previous close of 65.04 per dollar.
- The euro weakened against the dollar as market participants remained on the sidelines ahead of the outcome of the Italian general elections due Mar 4, 2018. Euro fell 0.15% and was trading at \$1.2310, from the previous close of \$1.2329.

Commodity Market Update

- Gold prices traded low on stronger dollar after the U.S. Central Bank indicated to raise the policy rates in gradually over the course of the year.
- Brent Crude prices rose after crude oil inventories fell by 1.6 million barrels in the week ended Feb 16.

International News

- A report from the labor department showed that U.S. initial jobless claims fell to 222,000 for the week ended Feb 17, 2018, down 7,000 from the previous week's revised level of 229,000 (230,000 originally reported). Continuing claims fell 73,000 to 1.875 million for the week ended Feb 10, 2018.
- According to the minutes of the latest policy session in Jan 2018, despite the increased confidence that inflation would move near its target, policymakers at the European Central Bank (ECB) judged that it was too early to change the policy stance. In the late January session, ECB had kept all three interest rates and asset purchases unchanged, and there was also no change in the forward guidance.



Thank you for
your time.